



CITY OF NEWTON, MASSACHUSETTS

ECONOMIC DEVELOPMENT COMMISSION

To: Mayor David B. Cohen
Fr: Charles Eisenberg, Chairman, Economic Development Commission
Re: EDC Annual Report
Dt: February 15, 2005

In compliance with City Ordinance Article 5, Section 22-75 (g) (10), the Economic Development Commission is submitting its annual report of activities and recommendations.

The annual report describes the projects and activities undertaken in 2004 and identifies goals for 2005. A complete list of Commission members is also included.

Please transmit the attached report to the Board of Aldermen.



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ANNUAL REPORT TO THE BOARD OF ALDERMEN

I. Background

The Economic Development Commission (EDC) was established under Massachusetts General Laws chapter 40, section 8A to promote and develop business and industry within the City of Newton. The Commission was charged with strengthening the local economy leading to new job opportunities for residents and expansion of the City's tax base. City Ordinance Article 5, Section 22-75 lays out the governing provisions as summarized below:

1. The Commission shall consist of 15 members appointed by the Mayor.
2. The Commission has the power and duty to:
 - study, investigate, and appraise economic conditions and trends;
 - promote, assist, and encourage the preservation, development and location of new and existing Newton industry, business and commerce;
 - investigate and assist in the establishment of commercial projects and identify appropriate commercial areas and zones for such establishment;
 - prepare and distribute informational publications;
 - cooperate with civic agencies/commissions/associations, state/federal agencies, municipal departments and officials, and business associations and organizations; and
 - advise and make recommendations to appropriate officials, agencies, boards, departments, and commissions of the City.

This report is prepared and submitted to the Board of Aldermen in compliance with City Ordinance Article 5, Section 22-75 (g) (10).

II. Commission Membership

Mayor David Cohen appointed and the Board of Aldermen approved two new members to the Economic Development Commission, Gloria Gavis and Daphne Collins. Roger Matthews resigned from the Commission.

III. 2004 Highlights

The Economic Development Commission participated in various new and ongoing initiatives in line with its charge. The following are major projects in EDC's pipeline and



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summary of accomplishments in the past year; more detailed information is available through the attached meeting minutes.

Comprehensive Planning/Economic Development Strategy – EDC is working with the Comprehensive Planning Advisory Committee (CPAC) to draft the City’s economic development strategy, an element of the comprehensive plan. Three members of the Economic Development Commission serve on CPAC: Charles Eisenberg, F. Gerard Adams and Carol Ann Shea. During 2004, the Commission worked conscientiously to further develop the strategy through data gathering and information analyses. Specific activities completed include:

- Attended all Committee and public meetings. Presented the economic development strategy at the April 2004 public meeting for community input.
- Conducted fiscal data analysis in formulating goals and action items.
- Reviewed the draft Energy Action Policy. Halina Brown, from the Citizens’ Commission for Energy, attended the July 2004 EDC meeting to present its draft Energy Action Plan. The EDC offered feedback and discussed specific areas of interest to both parties, i.e. promoting housing in village centers to reduce dependence of automobiles.
- Coordinated with the Economic Development Advisory Committee in their preparation of 2006-2010 Consolidation Plan to ensure consistency between it and the economic development strategy.
- *In 2005, EDC will continue to work with CPAC to finalize the comprehensive plan.*

Newton Centre – A subcommittee of the EDC, Bruce Gold spearheads this subcommittee’s effort in exploring opportunities in Newton Centre that further promote economic vitality and enhance the overall quality of life for all Newton residents. In doing so, the subcommittee:

- Met with key stakeholder groups including: Board of Aldermen, neighborhood organizations, business owners, commercial property owners, and banks. The meeting afforded opportunities for EDC to solicit feedback from diverse interest groups on needs and priorities for Newton Centre.
- EDC reported on the progress of its Newton Centre work at a CPAC meeting. CPAC members supported the application of sustainable, smart growth principles to enhance this village center and encouraged further progress of this initiative.
- The Subcommittee Chairman attended a neighborhood meeting convened by Ward 5 Aldermen on April 29 to discuss the future of Newton Centre. The feedback from neighbors was consistent with input already gathered from its meetings with stakeholders, and reinforced the desire for the larger community to see improvements in traffic and parking, land use, and selection of available goods and services.
- The Subcommittee convened a number of meetings to organize its research and develop a report of its findings to be delivered to the Mayor. A near final draft report was completed by the year’s end.



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- *In 2005 the Newton Centre Subcommittee will deliver its findings in a report to the Mayor.*

Development/Policy/Other Activities– The EDC reviewed proposed policy changes and large commercial development proposals, assessed their economic impact, and communicated its comments to appropriate parties.

- **Newton Resident and Visitor Parking Sticker Program** – The Commission reviewed the proposed amendment to City Ordinance Section 19-201 to allow inclusion of streets that are not 100% residential for eligibility to the program. The Commission requested, via writing to the Public Safety and Transportation Committee (PS&T), a public hearing to allow comments from businesses and residents. As a result, the PS&T held a public hearing attended by area residents, organizations and businesses.
- **McDonald's Restaurant** - EDC reviewed the demolition and new construction plans for the McDonald's Restaurant on Needham Street. The members discussed the impact of the project to Needham Street as well as the City, and concluded that it would have marginal or neutral economic impact. EDC elected to take a neutral stance on the proposal.
- **District Improvement Financing** – EDC closely tracked the Commonwealth's new financing mechanism, District Improvement Financing, also commonly referred to as tax increment financing in other states. The tool allows a community to finance public improvements by committing the increase in property tax of a predetermined area to repay bond issue used to finance the capital improvement. This tool, appropriate for Newton Centre, will be considered for other future applications.
- **Zoning and Planning Committee (ZAP) Assigned Items** - Commission members attended the ZAP meeting on January 26, 2004 to report on its assigned items and also on its findings of the economic impact of increasing hotel linkage fee from 10% to 15%. The outcome was that no further action was necessary on all but the Foreign Trade Zone item.
- The EDC, in conjunction with Massachusetts Port Authority (MassPort), conducted a Foreign Trade Zone Information Session in November 2004. A representative from MassPort presented an overview of the program as well as benefits of participation.
- EDC maintained links with other economic development organizations, including the Newton-Needham Chamber of Commerce and the Women's Enterprise Initiative, to ensure a coordinated approach to economic development.
- *In 2005 the EDC will continue to track policy changes and commercial development projects, review their economic feasibility, and comment on their impacts to the City.*